

ASSEMBLY BILL

No. 2362

Introduced by Assembly Member Grove

February 21, 2014

An act to amend Section 1263 of the Unemployment Insurance Code, relating to unemployment insurance.

LEGISLATIVE COUNSEL'S DIGEST

AB 2362, as introduced, Grove. Unemployment insurance benefits: disqualifications: convictions.

Existing law provides the forfeiture of, and ineligibility for, unemployment insurance benefits for certain time periods for any individual convicted in a court of competent jurisdiction of willfully making a false statement or knowingly failing to disclose a material fact to obtain or increase any benefit or payment in violation of a specified provision of state law.

This bill would additionally provide for the forfeiture of, and ineligibility for, unemployment insurance benefits for certain time periods for any individual convicted of willfully making a false statement or knowingly failing to disclose a material fact to obtain or increase any benefit or payment in violation of provisions of the Penal Code and a federal mail fraud provision.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 1263 of the Unemployment Insurance
- 2 Code is amended to read:

1 1263. (a) Any individual convicted under Section 2101,
2 *provisions of the Penal Code, or Section 1341 of Title 18 of the*
3 *United States Code* by any court of competent jurisdiction of *this*
4 *state or the federal government* of willfully making a false
5 statement or knowingly failing to disclose a material fact to obtain
6 or increase any benefit or payment under this division shall forfeit
7 any rights to benefits for the week in which the criminal complaint
8 was filed and for the 51 consecutive calendar weeks which
9 immediately follow that week, irrespective of a subsequent order
10 under the provisions of Section 1203.4 of the Penal Code allowing
11 the individual to withdraw his or her plea of guilty and to enter a
12 plea of not guilty, or setting aside the verdict of guilty or dismissing
13 the criminal complaint, but a forfeiture of benefits under this
14 subdivision shall extend no later than the effective date of any
15 order under Section 1203.4 of the Penal Code, and, if the period
16 of forfeiture has not previously expired, the forfeiture of benefits
17 under this subdivision shall terminate as of the effective date of
18 any such order.

19 (b) Any individual convicted under Section 2101, *provisions of*
20 *the Penal Code, or Section 1341 of Title 18 of the United States*
21 *Code* by any court of competent jurisdiction of *this state or the*
22 *federal government* of willfully making a false statement or
23 knowingly failing to disclose a material fact to obtain or increase
24 any benefit or payment under this part, Part 3 (commencing with
25 Section 3501), or Part 4 (commencing with Section 4001) shall,
26 irrespective of a subsequent order under the provisions of Section
27 1203.4 of the Penal Code allowing the individual to withdraw his
28 or her plea of guilty and to enter a plea of not guilty, or setting
29 aside the verdict of guilty or dismissing the criminal complaint,
30 be ineligible to receive unemployment compensation or extended
31 duration benefits or federal-state extended benefits for the week
32 in which the criminal complaint was filed, or any subsequent week,
33 for which he or she is first otherwise in all respects eligible for
34 unemployment compensation or extended duration benefits or
35 federal-state extended benefits and for 14 subsequent weeks for
36 which he or she is otherwise in all respects eligible for
37 unemployment compensation or extended duration benefits or
38 federal-state extended benefits. No disqualification under this
39 subdivision shall be applied to any week if all or any portion of

1 the week is beyond the three-year period next succeeding the date
2 of the filing of the criminal complaint.

3 (c) The department shall, effective upon the date of the filing
4 of a criminal complaint against an individual prosecuted under
5 Section 2101, *provisions of the Penal Code, or Section 1341 of*
6 *Title 18 of the United States Code*, suspend the payment of benefits
7 to the individual.

8 (d) A plea or verdict of guilty, or a conviction following a plea
9 of nolo contendere, is deemed to be a conviction within the
10 meaning of this section irrespective of whether an order granting
11 probation or other order is made suspending the imposition of the
12 sentence or whether sentence is imposed but execution thereof is
13 suspended.

14 (e) Notwithstanding the provisions of this section, an individual
15 may during a period of forfeiture under subdivision (a) of this
16 section meet the conditions to remove any disqualification that is
17 imposed under Sections 1260 or 1261, or subdivision (b) of this
18 section, but no week during the period of forfeiture shall be used
19 to offset the amount of any overpayment.